

SECRET

Office Memorandum • UNITED STATES GOVERNMENT

TO : GER - Mr. Lewis

DATE: 1/18/52

FROM : GER - Mr. Spencer

SUBJECT: German Science Problem

I have attached a copy of a memorandum of the meeting held today in the Pentagon on this problem. If Koepfli can get interdepartmental agreement on it I believe all parties here and in the field should know exactly where their interests and responsibilities lie in this field. Schwartz, Harris and Koepfli have copies and all participants in the meeting will receive copies.

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DEPARTMENT OF STATE A/CDC/MR

REVIEWED BY *Zeck*

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Memorandum of Meeting

1/18/52

ParticipantsState

Koepfli (U/SA)
 Joyce (U/SA)
 Carter (C)
 Spencer (GER)

Defense

Fahey (Army)
 Perkins (RDS)

CIA

Strong

Copies to: Participants
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This meeting was called by Dr. Koepfli to discuss with representatives of defense and intelligence agencies their interests and programs in the field of German science. The participants agreed that the following represents a reasonably accurate description of those interests and programs as they exist now, and as they will exist after the establishment of a U.S. Embassy in Germany. A few of the conclusions in this memorandum, although they are believed to be logically derived from views expressed at the meeting, were not actually set forth by the participants. This memorandum should therefore be approved by each participant before being made the basis for any official action.

A. Programs Designed to procure German Research Required by a Defense Agency.

Although a final check has yet to be made, a preliminary canvass of Army, Navy and Air Force needs for German research in this category indicates that only the Air Force has a project under consideration. The development of the Air Force project is at present retarded by practical problems difficult to solve, for example, how to maintain the security of classified information which German scientists engaged in the project would require from the United States. In the event that the Air Force, or any other defense agency, should complete a plan for a German research program, that agency should finance the program out of its own appropriations and operate it in Germany with its own field personnel. The U.S. Embassy in Germany should not participate in its operation. The interests of the State Department should be limited to: (1) an opportunity to review the program, before it is made operative, against the Department's overall foreign policy objectives in Germany and Europe; (2) an opportunity

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to review any major change in the program, or manner of implementation, before the change is made operative; (3) in the event that the program, during the period of its operation, is observed by the State Department to be in conflict with the Department's foreign policy objectives in Germany or Europe, the right to recommend changes in the program, or manner of implementation, to the operating agency. These interests may be adequately protected by agreement between the State Department and operating agency on the liaison responsibilities of each agency.

In view of the possibility that the interests of one particular defense agency in the procurement of German research may impinge on the interests of ECA, now under Mr. Harriman, and perhaps those of other agencies interested in procurement, thought should be given to placing any proposal for a sizeable research program before the National Security Council, or some other interdepartmental authority, for final approval, at which time the relationships, interests and responsibilities of the operating agency, the State Department and other agencies having legitimate interests, should be carefully defined. Intelligence would be a normal by-product of any research program conducted in Germany to meet the bona-fide procurement needs of a government agency. Intelligence agencies therefore have an interest in assuring that they receive this by-product, but their legitimate interest in the type of program here defined ends there.

B. Research Programs Designed to promote the Good-will of German Scientists toward the U.S.

At the present time, no agency of the government is known to be interested in financing a German research program aimed primarily at promoting good-will between German scientists and the United States. Grant-in-aid programs of this kind may best be conducted and financed by private organizations or by the National Science Foundation, which has statutory authority to maintain research grants or provide research fellowships in foreign countries. The State Department, in consultation with these organizations, should determine the need for such programs and provide whatever assistance it may be prepared to offer them in establishing and maintaining grant-in-aid programs.

C. Needs of U.S. Intelligence Agencies for Information Regarding German, Soviet and Satellite Science.

The CIA has a sizeable and well-integrated group in Germany for the purpose of obtaining information regarding German, Soviet and Satellite science. Army, Navy and Air Force intelligence organizations in Germany also collect information regarding German, Soviet and Satellite science. If duplication of effort is to be avoided and if common sources of information are to be kept alive and not

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made unproductive because of improper exploitation, it is essential that the activities of these separate organizations in Germany be coordinated. In Germany, they should be coordinated through General Truscott, who will become advisor on intelligence to the U.S. Ambassador; and, in this capacity, be responsible for the coordination of intelligence activities in Germany. In Washington, the conflicting interests of separate intelligence agencies in German science should be coordinated through the Intelligence Advisory Committee, which is empowered to resolve such problems. An illustrative problem requiring consideration by General Truscott and the Intelligence Advisory Committee is how the need of the U.S. Science Attache for maintaining productive contacts with German scientists may be reconciled with the need of intelligence agencies for exploiting the same sources for an intelligence purpose. This problem is at present highlighted by persistent rumors that the Air Force is planning to maintain a relatively large number of civilian scientists in Western Europe for the purpose of collecting scientific information required by the Air Force. This specific problem should be brought to the attention of the Intelligence Advisory Committee immediately.

D. The Denial Program.

JIOA has conducted a program aimed primarily at removing to the United States those German scientists whose capture or use by the Soviets would endanger the security of the United States. The intentions of JIOA with regard to the continuance of this program are now being ascertained. It is probable that at this late date most of those German scientists of importance to U.S. security either have been removed to the United States or have fled to Soviet or Satellite countries. Individual preferences which have caused the remainder of scientists in this category to remain in Western Germany may be expected to remain operative without any need for a U.S. subsidization program aimed at keeping them in West Germany.

E. The State Department's Science Program for Germany.

Beyond the normal interest of the State Department in reviewing foreign programs operated by other agencies against over-all foreign policy objectives, the specific interests and objectives of the State Department in German science will not exceed those set forth in the report, "Science and Foreign Relations," prepared by Lloyd V. Berkner, which was used as a guide in establishing the Office of the Science Adviser in the Department. The science attache of the U.S. Embassy in Germany will be the Department's field representative responsible for carrying out the so-called Berkner report functions of the Department and for advising the chief of mission on matters in his competence.

F. Allied

F. Allied Security Controls in the Field of German Science.

At the present time, it has not been determined what prohibitions in the field of science and technology the German Government will be asked to observe under the contractual arrangements now being negotiated. If any prohibitions at all are included in the contractual arrangements, it is almost certain that no Allied enforcement organization will be retained in Germany. At the present time, it is believed that a very small complement of U.S. personnel will be assigned to observe the extent of German compliance with whatever prohibitions may be set forth in the contractual arrangements.

G. Liquidation of the Science and Research Division, U.S. Element, Military Security Board.

The Science and Research Division, under Mr. Nordstrom, has had the primary responsibility of enforcing Allied controls over German science and technology. In discharging this responsibility, Mr. Nordstrom and his staff have established close relationships with German scientists and scientific organizations. These contacts and relationships have provided Mr. Nordstrom with a unique opportunity for rendering to representatives of defense and intelligence agencies, information and assistance of use to them in carrying out their separate programs in Germany. In fact, at least one program, developed and conducted by Mr. Nordstrom out of HICOG or State Department funds, has contributed to the science objectives of three separate agencies. Under this program, Mr. Nordstrom has employed a considerable number of selected German scientists in a consultative capacity. Their employment by Mr. Nordstrom has served the denial objective of keeping them in West Germany, it has served the CIA intelligence objective of rendering them available for an intelligence use, and it has served the State Department's Berner report objective of obtaining their good-will toward the U.S. In short, although the role of Mr. Nordstrom in U.S. science programs, beyond the part he has played in enforcing Allied controls, has been a peripheral role, it has nevertheless been productive. However, no agency is prepared to recommend that the Science and Research Division be retained by the U.S. Embassy to render service which would be wholly supplementary to the service rendered that agency by its own field organization in Germany.

HICOG, has requested that appropriate agencies in Washington consider the establishment of a German research program to be financed by counterpart funds (1-1/2 million DM) which are understood to be available in HICOG for this purpose provided they are obligated by June 30, 1952. The proposed program was based on

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suggestions which the Research and Development Board in Washington prepared at the request of Mr. Nordstrom, on the assumption that HICOG funds were available for conducting it. The RDB is now determining whether the research included in the program is an essential procurement need of defense agencies. Preliminary review of the program indicates that it is not. However, in the event the research is determined an essential need of a defense agency, it should, as indicated under paragraph A, above, be procured and financed by the user agency in Washington.

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